

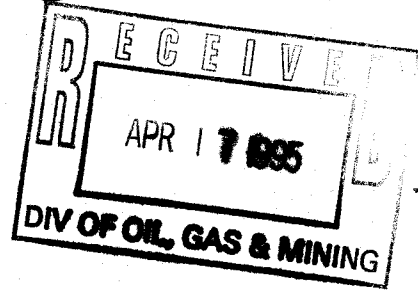


Michael O. Leavitt  
Governor  
Scott Hirschi  
Director

# State of Utah

*School and Institutional*  
TRUST LANDS ADMINISTRATION

355 West North Temple  
3 Triad Center, Suite 400  
Salt Lake City, Utah 84180-1204  
801-538-5508  
801-355-0922 (Fax)



April 14, 1995

CERTIFIED MAIL NO. P 879 605 501

Bradshaw Pumice & Perlite  
101 North Main  
Milford, UT 84751

RE: ML 41353--Volcanic Materials

Gentlemen:

I recently spoke with a member of the Bradshaw family regarding our letter of April 12, 1995, advising that ML41353 will reach the end of its extended term and expire on April 30th. This lease is beyond its Primary term and may only be extended on an annual basis by commercial production or diligent operations upon the lands within the lease.

On August 31, 1994, Neil Bradshaw submitted a notice of intent to commence mining upon three state leases, ML40197, ML 40198 and ML41353. As staff reviewed the notice of intent it became unclear how ML41343 would be involved in the mining. On October 26th the agency requested that the applicant submit a mine map showing the location, dimensions, grade and depth of all existing and proposed mining disturbances upon the property. On December 20, 1994, Bradshaw Pumice & Perlite filed an amended plan of operation along with a photocopy of a U.S.G.S. topographic sheet indicating mining activity upon the lands within ML40197. On January 10, 1995, the agency repeated its request that Bradshaw Pumice & Perlite provide a detailed map of the existing and proposed mine workings for all of the properties. On February 10, 1995, the agency received a survey plat delineating a one acre site for mining only upon the lands within ML40197. It is still unclear exactly how the lands within ML41353 have or will be involved in a mining operation meeting the requirements for diligent development.

Neither the photocopied U.S.G.S. topographic sheets nor the survey plat which have been submitted by Bradshaw Pumice & Perlite satisfy the agency's request for a map detailing existing and proposed mining areas upon the lands within ML41353. No commercial production has been reported for the lands within ML41353 and Bradshaw Pumice and Perlite has not demonstrated diligent operations toward bringing the property into production.



0004

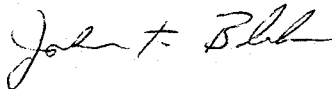
Bradshaw Pumice & Perlite  
April 14, 1995  
Page Two

Unless the lessee is able to provide evidence of commercial production or meets the requirement of diligent development for the lands within ML41353 prior to April 30, 1995, this lease will expire. The map which has been requested by the agency and has not yet been provided must show the location, dimensions, grade and depth of all existing and proposed mining disturbances upon the lands within ML41353. Diagrams or cross sections must be included as necessary to illustrate the dimensions, grade and depth of all existing and proposed disturbances upon the property. The map must be of professional quality and should be prepared by a professional engineer or surveyor. Any commercial production which may have occurred upon the lands within ML41353 must be reported in affidavit form using the enclosed production and royalty report form. Royalty and late payment fees must be submitted along with the report.

Please immediately contact me if you have any questions in this matter. I will be happy to meet with you in Salt Lake City, by appointment, to receive or review any of the requested information.

Also on August 31, 1994, Neil Bradshaw gave me a copy of a certified letter addressed to Mountain View Mining, terminating the subleases between the two parties. Mountain View Mining denies receiving such an letter. For the record, please immediately send me a copy of your return receipt for the certified letter which you mailed to Mountain View Mining to terminate the sublease..

Sincerely,



JOHN T. BLAKE  
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Lisa Schneider  
Wayne Hedberg